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UNCLAS SECTION 01 OF 03 MONTERREY 000775

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DEPARTMENT, PLEASE PASS TO USTR

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SUBJECT: NUEVO LEON PRD REJECTS PRESIDENT CALDERON AND SUPPORTS LEGITIMATE' PRESIDENT AMLO

REF: A. A) 2006 MONTERREY 963

¶B. B) 2006 MONTERREY 989

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- ¶1. (U) SUMMARY. Representing the hard-line faction of the PRD, Nuevo Leon party leaders continue to reject President Calderon as illegitimate, refuse to work with President Calderon, plan to denounce Calderon at his September 1 State of the Union address, and focus their efforts on recruiting local representatives for the "legitimate government" of Andres Manuel Lopez Obrador (AMLO), the losing PRD Presidential candidate in the 2006 elections. The State Committee President, Socorro Cesenas, sharply criticized Nuevo Leon Governor Natividad Gonzalez as a self-interested, corrupt, and illegitimate governor who has done little to alleviate rural poverty in the state while spending millions of dollars on the upcoming Universal Forum on Cultures. Cesenas was also critical of the United States, and claims that AMLO will put a stop to the final implementation of NAFTA in 2008. The PRD has little influence in Nuevo Leon, and given the state's relative wealth and the PRD's isolationist perspective, it is hard to imagine this PRD party making much headway into Nuevo Leon. END SUMMARY.
- 12. (U) The PRI and PAN parties are both competitive in Nuevo Leon elections, and normally the PRD is not a factor. However, due to AMLO's popularity, the PRD received 16% of the vote in the 2006 Presidential election, significantly ahead of the 8% vote for PRD Senators and 9% for PRD Diputados. Although the local PRD could have used the vote as a platform to build a majority, they instead just denounced the 2006 elections, and anecdotal evidence from average PRD voters in 2006 indicated that they were turned-off by the PRD's demonstrations in Mexico City and its refusal to accept the lost election. Poloff met with the Nuevo Leon PRD President to determine if the PRD had changed its stance.

RECRUITING FOR THE "LEGITIMATE" GOVERNMENT

13. (U) The local PRD remains trapped in July 2006 elections results, and rather than deal with President Calderon, they instead pursue AMLO's quixotic quest to be the "legitimate" President. On August 7 Poloff met with Socorro Cesenas Chapa, President of the Nuevo Leon PRD State Committee, who reported that the local PRD party is stepping-up its efforts to recruit state representatives for the "legitimate government" of Andres

Manuel Lopez Obrador (AMLO). The local AMLO-government representatives would serve the legitimate presidency by fighting for social justice through monitoring local municipalities' public spending. (Note. Cesenas has appeared several times in local newspapers condemning the public debt accrued by Monterrey's PAN Mayor Adalberto Madero. End Note.) On August 9, local newspapers reported that Bernardo Batiz, the former Attorney General of Mexico City, was visiting Monterrey to encourage local citizens to officially ally themselves with AMLO's alternative government. El Norte, Monterrey's leading daily, reported that PRD officials expect that up to 14,000 residents of Nuevo Leon will sign up, and that some 28,000 will be official AMLO-government representatives by 2009. Registration stations have been set-up in ten of Nuevo Leon's municipalities and will operate from August 9 through the weekend ending August 12. To register, citizens must present their electoral credentials, have their photos taken, and sign a letter promising "to defend national sovereignty, to defend the national heritage, and fight for better social justice and redistribution of the nation's wealth." According to Cesenas, the registration stations are being funded by "the bank account set-up by AMLO's Cabinet." (Note. There is no evidence of such a mass movement to support these claims. End Note.)

CALDERON'S ILLEGITIMACY

¶4. (U) When asked by Poloff about her party's views on President Calderon's performance, Cesenas responded sharply that she would not comment on the illegitimate President's time in office, and proceeded to tell Poloff exactly how and why the 2006 Presidential election was a sham. She also said that the PRD would not sit and listen to President Calderon's first "informe" (state-of-the-union address equivalent) scheduled for September 1 because it would be "imposed on us. If we want to listen to an informe, we will listen to AMLO's." Cesenas said that she was traveling to Mexico City on August 8 to meet with other party leaders to discuss the new proposed format for the President's annual address, which for the first-time would

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include a multi-party debate following the informe. Cesenas said that the PRD would never agree to this, unless it gave them the opportunity to denounce Calderon publicly as the illegitimate President of Mexico. (Note. On August 9, local newspapers reported that the PRD had agreed to the new informe/debate format and that Juan Guerra, the PRD's vice-coordinator in the Mexican Chamber of Deputies, was asking his party to accept the agreement, not as a demonstration of Calderon's legitimacy, but rather to look at it as an opportunity to say that he is not the legitimate President of Mexico. End note.)

15. (U) When asked whether the PRD would work with Calderon to find a mutually-agreeable fiscal reform policy, Cesenas said that the AMLO-alternative government (and likewise the PRD) has its own neoliberal fiscal reform agenda that does not involve expanding the value-added tax (IVA) base or creating a CETU-like tax, but rather increases income taxes for the rich to redistribute wealth to the poor. When asked how the AMLO alternative government would propose redistributing wealth, Cesenas responded with generalities, noting that the key is creating more jobs and guaranteeing access to good education and health care for all Mexican citizens.

SHARP CRITICISM OF NUEVO LEON GOVERNMENT

SHARP CRITICISM OF NOEVO LEON GOVERNMENT

¶6. (U) In addition to PAN President Calderon, Cesenas also sees PRI Nuevo Leon Governor Jose Natividad Gonzalez Paras as an illegitimate and corrupt governor. Cesenas explained that she believes that Nuevo Leon's 2003 gubernatorial election was fraudulently conducted and that Monterrey's 2006 mayoral election, won by PAN's Adalberto Madero, was fraudulent. When

asked if there were any recent elections results that she supported, she pointed to the two Nuevo Leon municipalities in which PRD candidates were "fairly" elected as mayors.

17. (U) Governor Gonzalez, she claims, has also done very little to alleviate rural poverty in Nuevo Leon. Speaking mainly of the two Nuevo Leon municipalities governed by PRD mayors, Cesenas said that Gonzalez's government, in cahoots with the PAN-lead state congress, cut rural municipalities' budgets by upwards of 50%, effectively halting any real economic development in those towns. Cesenas added that the Nuevo Leon Secretary of Economic Development was not doing enough to

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attract investment and create jobs in the poorest parts of Nuevo Leon. She also said that any illegal immigration to the U.S. from rural parts of Nuevo Leon is due to the negligence of the Gonzalez government because "if people don't believe that their government is helping them, supporting them, and creating jobs and schools and hospitals for them, they will leave."

18. (U) Cesenas also spoke about the Universal Forum of Cultures, the Governor's pet project which will begin in September. Cesenas said that, while she did not disagree in principal with the idea of hosting a cultural forum to discuss issues like diversity, peace, and environmental protection, she thought that Nuevo Leon had higher priorities. She delighted in the fact that the controversy surrounding the Forum and its financing has damaged the Governor's credibility and popularity.

THE EVIL U.S. EMPIRE

- 19. (U) The problem with the United States, claimed Cesenas, is that the U.S. is too self-interested and that the Calderon government is too weak to stand up to the USG. Further, she claims that the AMLO-alternative government will not allow the final provisions of NAFTA to go through in 2008, when tariffs on corn and beans are phased out, because poor Mexican farmers will be devastated. When questioned by Poloff about exactly how this would happen, Cesenas did not have an answer, and merely said that NAFTA needed to be completely renegotiated with the United States.
- ¶10. (U) Cesenas also spoke about the remittances that come into Mexico from legal and illegal workers in the U.S. She said that the workers are abused in the U.S. and that the United States doesn't care, so long as its produce is picked on time. The only one who cares about this issue, she claims, is AMLO, whose government is working to create jobs so that Mexicans don't have to leave their homes to go find work in a country that treats them badly. Cesenas said that the AMLO alternative

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government will not ally itself with a country like the United States that does not believe in peace, justice, and prosperity. Cesenas told Poloff not to be surprised by upcoming protests staged by the Nuevo Leon PRD Committee against the United States, especially where NAFTA, immigration and the U.S.-led war in Iraq are concerned.

COMMENT

11. (SBU) COMMENT. Since PRD could barely offer token demonstrations in the aftermath of the controversial 2006 elections (see reftels), it seems very unlikely that they can actually recruit local representatives for the "legitimate" President AMLO or hold the planned demonstrations. The real question is why the PRD has chosen such a hardliner to represent them in a moderate state, undermining any possibility for the PRD to make lasting political gains. The interview also provides a window into the hard-line PRD mindset, and the difficulties that the national PRD party may have bringing along

all its members to a constructive relationship with President Calderon. $\mbox{\sc END}$ COMMENT. $\mbox{\sc WILLIAMSON}$